

FIRST REGULAR SESSION

# SENATE BILL NO. 647

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SHOEMYER.

Read 1st time February 28, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

2511S.011

## AN ACT

To repeal sections 30.750, 30.753, 30.756, 30.758, 30.760, and 30.765, RSMo, and to enact in lieu thereof six new sections relating to low interest loans for locally owned businesses, with penalty provisions.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 30.750, 30.753, 30.756, 30.758, 30.760, and 30.765, RSMo, are repealed and six new sections enacted in lieu thereof, to be known as sections 30.750, 30.753, 30.756, 30.758, 30.760, and 30.765, to read as follows:

30.750. As used in sections 30.750 to 30.767, the following terms mean:

(1) "Eligible agribusiness", a person engaged in the processing or adding of value to agricultural products produced in Missouri;

(2) "Eligible beginning farmer",

(a) For any beginning farmer who seeks to participate in the linked deposit program alone, a farmer who:

a. Is a Missouri resident;

b. Wishes to borrow for a farm operation located in Missouri;

c. Is at least eighteen years old; and

d. In the preceding five years has not owned, either directly or indirectly, farm land greater than fifty percent of the average size farm in the county where the proposed farm operation is located or farm land with an appraised value greater than four hundred fifty thousand dollars.

A farmer who qualifies as an eligible farmer under this provision may utilize the proceeds of a linked deposit loan to purchase agricultural land, farm buildings, new and used farm equipment, livestock and working capital;

(b) For any beginning farmer who is participating in both the linked

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

18 deposit program and the beginning farmer loan program administered by the  
19 Missouri agriculture and small business development authority, a farmer who:

20       a. Qualifies under the definition of a beginning farmer utilized for  
21 eligibility for federal tax-exempt financing, including the limitations on the use  
22 of loan proceeds; and

23       b. Meets all other requirements established by the Missouri agriculture  
24 and small business development authority;

25       (3) "Eligible facility borrower", a borrower qualified under section 30.860  
26 to apply for a reduced-rate loan under sections 30.750 to 30.767;

27       (4) "Eligible farming operation", any person engaged in farming in an  
28 authorized farm corporation, family farm, or family farm corporation as defined  
29 in section 350.010, RSMo, that has all of the following characteristics:

30           (a) Is headquartered in this state;

31           (b) Maintains offices, operating facilities, or farming operations and  
32 transacts business in this state;

33           (c) Employs less than ten employees;

34           (d) Is organized for profit;

35           (e) Possesses not more than sixty percent equity, where "percent equity"  
36 is defined as total assets minus total liabilities divided by total assets, except  
37 that an otherwise eligible farming operation applying for a loan for the purpose  
38 of installing or improving a waste management practice in order to comply with  
39 environmental protection regulations shall be exempt from this eligibility  
40 requirement;

41       (5) "Eligible higher education institution", any approved public or private  
42 institution as defined in section 173.205, RSMo;

43       (6) "Eligible job enhancement business", a new, existing, or expanding  
44 firm operating in Missouri, or as a condition of accepting the linked deposit, will  
45 locate a facility or office in Missouri associated with said linked deposit, which  
46 employs ten or more employees in Missouri on a yearly average and which, as  
47 nearly as possible, is able to establish or retain at least one job in Missouri for  
48 each fifty thousand dollars received from a linked deposit loan;

49       (7) "Eligible lending institution", a financial institution that is eligible to  
50 make commercial or agricultural or student loans or discount or purchase such  
51 loans, is a public depository of state funds or obtains its funds through the  
52 issuance of obligations, either directly or through a related entity, eligible for the  
53 placement of state funds under the provisions of section 15, article IV,

54 Constitution of Missouri, and agrees to participate in the linked deposit program;

55 (8) "Eligible livestock operation", any person engaged in production of  
56 livestock or poultry in an authorized farm corporation, family farm, or family  
57 farm corporation as defined in section 350.010, RSMo;

58 (9) **"Eligible locally owned business", any person, seeking to**  
59 **establish a new firm, partnership, cooperative company, or corporation**  
60 **that shall retain at least fifty-one percent ownership by residents in a**  
61 **county in which the business is headquartered, that consists of the**  
62 **following characteristics:**

63 (a) **The county has a median population of twelve thousand five**  
64 **hundred or less; and**

65 (b) **The median income of residents in the county are equal to or**  
66 **less than the state median income; or**

67 (c) **The unemployment rate of the county is equal to or greater**  
68 **than the state's unemployment rate;**

69 (10) "Eligible marketing enterprise", a business enterprise operating in  
70 this state which is in the process of marketing its goods, products or services  
71 within or outside of this state or overseas, which marketing is designed to  
72 increase manufacturing, transportation, mining, communications, or other  
73 enterprises in this state, which has proposed its marketing plan and strategy to  
74 the department of economic development and which plan and strategy has been  
75 approved by the department for purposes of eligibility pursuant to sections 30.750  
76 to 30.767. Such business enterprise shall conform to the characteristics of  
77 paragraphs (a), (b) and (d) of subdivision (4) of this section and also employ less  
78 than twenty-five employees;

79 [(10)] (11) "Eligible multitenant development enterprise", a new  
80 enterprise that develops multitenant space for targeted industries as determined  
81 by the department of economic development and approved by the department for  
82 the purposes of eligibility pursuant to sections 30.750 to 30.767;

83 [(11)] (12) "Eligible residential property developer", an individual who  
84 purchases and develops a residential structure of either two or four units, if such  
85 residential property developer uses and agrees to continue to use, for at least the  
86 five years immediately following the date of issuance of the linked deposit loan,  
87 one of the units as his principal residence or if such person's principal residence  
88 is located within one-half mile from the developed structure and such person  
89 agrees to maintain the principal residence within one-half mile of the developed

90 structure for at least the five years immediately following the date of issuance of  
91 the linked deposit loan;

92       [(12)] **(13)** "Eligible residential property owner", a person, firm or  
93 corporation who purchases, develops or rehabilitates a multifamily residential  
94 structure;

95       [(13)] **(14)** "Eligible small business", a person engaged in an activity with  
96 the purpose of obtaining, directly or indirectly, a gain, benefit or advantage and  
97 which conforms to the characteristics of paragraphs (a), (b) and (d) of subdivision  
98 (4) of this section, and also employs less than twenty-five employees;

99       [(14)] **(15)** "Eligible student borrower", any person attending, or the  
100 parent of a dependent undergraduate attending, an eligible higher education  
101 institution in Missouri who may or may not qualify for need-based student  
102 financial aid calculated by the federal analysis called Congressional Methodology  
103 Formula pursuant to 20 U.S.C. 1078, as amended (the Higher Education  
104 Amendments of 1986);

105       [(15)] **(16)** "Eligible water supply system", a water system which serves  
106 fewer than fifty thousand persons and which is owned and operated by:

107       (a) A public water supply district established pursuant to chapter 247,  
108 RSMo; or

109       (b) A municipality or other political subdivision; or

110       (c) A water corporation;

111 and which is certified by the department of natural resources in accordance with  
112 its rules and regulations to have suffered a significant decrease in its capacity to  
113 meet its service needs as a result of drought;

114       [(16)] **(17)** "Farming", using or cultivating land for the production of  
115 agricultural crops, livestock or livestock products, forest products, poultry or  
116 poultry products, milk or dairy products, or fruit or other horticultural products;

117       [(17)] **(18)** "Linked deposit", a certificate of deposit, or in the case of  
118 production credit associations, the subscription or purchase outright of obligations  
119 described in section 15, article IV, Constitution of Missouri, placed by the state  
120 treasurer with an eligible lending institution at rates otherwise provided by law  
121 in section 30.758, provided the institution agrees to lend the value of such  
122 deposit, according to the deposit agreement provided in sections 30.750 to 30.767,  
123 to eligible small businesses, **eligible locally owned businesses**, farming  
124 operations, eligible job enhancement businesses, eligible marketing enterprises,  
125 eligible residential property developers, eligible residential property owners,

126 eligible agribusinesses, eligible beginning farmers, eligible livestock operations,  
127 eligible student borrowers, eligible facility borrowers, or eligible water supply  
128 systems at below the present borrowing rate applicable to each small business,  
129 farming operation, eligible job enhancement business, eligible marketing  
130 enterprise, eligible residential property developer, eligible residential property  
131 owner, eligible agribusiness, eligible beginning farmer, eligible livestock  
132 operation, eligible student borrower, or supply system at the time of the deposit  
133 of state funds in the institution;

134 [(18)] (19) "Market rate", the interest rate tied to federal government  
135 securities and more specifically described in subsection 4 of section 30.260;

136 [(19)] (20) "Water corporation", as such term is defined in section  
137 386.020, RSMo;

138 [(20)] (21) "Water system", as such term is defined in section 386.020,  
139 RSMo.

30.753. 1. The state treasurer may invest in linked deposits; however, the  
2 total amount so deposited at any one time shall not exceed, in the aggregate,  
3 seven hundred twenty million dollars. No more than three hundred thirty million  
4 dollars of the aggregate deposit shall be used for linked deposits to eligible  
5 farming operations, **eligible locally owned businesses**, eligible agribusinesses,  
6 eligible beginning farmers, eligible livestock operations, and eligible facility  
7 borrowers, no more than one hundred ten million of the aggregate deposit shall  
8 be used for linked deposits to small businesses, no more than twenty million  
9 dollars shall be used for linked deposits to eligible multitenant development  
10 enterprises, and no more than twenty million dollars of the aggregate deposit  
11 shall be used for linked deposits to eligible residential property developers and  
12 eligible residential property owners, no more than two hundred twenty million  
13 dollars of the aggregate deposit shall be used for linked deposits to eligible job  
14 enhancement businesses and no more than twenty million dollars of the aggregate  
15 deposit shall be used for linked deposit loans to eligible water systems. Linked  
16 deposit loans may be made to eligible student borrowers from the aggregate  
17 deposit. If demand for a particular type of linked deposit exceeds the initial  
18 allocation, and funds initially allocated to another type are available and not in  
19 demand, the state treasurer may commingle allocations among the types of linked  
20 deposits.

21 2. The minimum deposit to be made by the state treasurer to an eligible  
22 lending institution for eligible job enhancement business loans shall be ninety

23 thousand dollars. Linked deposit loans for eligible job enhancement businesses  
24 may be made for the purposes of assisting with relocation expenses, working  
25 capital, interim construction, inventory, site development, machinery and  
26 equipment, or other expenses necessary to create or retain jobs in the recipient  
27 firm.

30.756. 1. An eligible lending institution that desires to receive a linked  
2 deposit shall accept and review applications for linked deposit loans from eligible  
3 multitenant enterprises, eligible farming operations, **eligible locally owned**  
4 **businesses**, eligible small businesses, eligible job enhancement businesses,  
5 eligible marketing enterprises, eligible agribusinesses, eligible beginning farmers,  
6 eligible livestock operations, eligible residential property developers, eligible  
7 residential property owners, eligible student borrowers, eligible facility borrowers,  
8 and eligible water supply systems. An eligible residential property owner shall  
9 certify on his or her loan application that the reduced rate loan will be used  
10 exclusively to purchase, develop or rehabilitate a multifamily residential  
11 property. The lending institution shall apply all usual lending standards to  
12 determine the credit worthiness of each eligible multitenant enterprise, eligible  
13 farming operation, **eligible locally owned business**, eligible small business,  
14 eligible job enhancement business, eligible marketing enterprise, eligible  
15 residential property developer, eligible residential property owner, eligible  
16 agribusiness, eligible beginning farmer, eligible livestock operation, eligible  
17 student borrower, eligible facility borrower, or eligible water supply system. No  
18 linked deposit loan made to any eligible farming operation, **eligible locally**  
19 **owned business**, eligible livestock operation, eligible agribusiness or eligible  
20 small business shall exceed a dollar limit determined by the state treasurer in the  
21 state treasurer's best judgment, except as otherwise limited. Any link deposit  
22 loan made to an eligible facility borrower shall be in accordance with the loan  
23 amount and loan term requirements in section 30.860.

24 2. An eligible farming operation, small business or job enhancement  
25 business shall certify on its loan application that the reduced rate loan will be  
26 used exclusively for necessary production expenses or the expenses listed in  
27 subsection 2 of section 30.753 or the refinancing of an existing loan for production  
28 expenses or the expenses listed in subsection 2 of section 30.753 of an eligible  
29 farming operation, small business or job enhancement business. Whoever  
30 knowingly makes a false statement concerning such application is guilty of a class  
31 A misdemeanor. An eligible water supply system shall certify on its loan

32 application that the reduced rate loan shall be used exclusively to pay the costs  
33 of upgrading or repairing an existing water system, constructing a new water  
34 system, or making other capital improvements to a water system which are  
35 necessary to improve the service capacity of the system.

36 3. In considering which eligible farming operations should receive reduced  
37 rate loans, the eligible lending institution shall give priority to those farming  
38 operations which have suffered reduced yields due to drought or other natural  
39 disasters and for which the receipt of a reduced rate loan will make a significant  
40 contribution to the continued operation of the recipient farming operation.

41 4. The eligible financial institution shall forward to the state treasurer a  
42 linked deposit loan package, in the form and manner as prescribed by the state  
43 treasurer. The package shall include such information as required by the state  
44 treasurer, including the amount of each loan requested. The institution shall  
45 certify that each applicant is an eligible farming operation, **eligible locally**  
46 **owned business**, eligible small business, eligible job enhancement business,  
47 eligible marketing enterprise, eligible residential property developer, eligible  
48 residential property owner, eligible agribusiness, eligible beginning farmer,  
49 eligible livestock operation, eligible student borrower, eligible facility borrower,  
50 or eligible water supply system, and shall, for each eligible farming operation,  
51 small business, eligible job enhancement business, eligible marketing enterprise,  
52 eligible residential property developer, eligible residential property owner, eligible  
53 agribusiness, eligible beginning farmer, eligible livestock operation, eligible  
54 student borrower, eligible facility borrower, or eligible water supply system,  
55 certify the present borrowing rate applicable.

56 5. The eligible lending institution shall be responsible for determining if  
57 a student borrower is an eligible student borrower. A student borrower shall be  
58 eligible for an initial or renewal reduced rate loan only if, at the time of the  
59 application for the loan, the student is a citizen or permanent resident of the  
60 United States, a resident of the state of Missouri as defined by the coordinating  
61 board for higher education, is enrolled or has been accepted for enrollment in an  
62 eligible higher education institution, and establishes that the student has  
63 financial need. In considering which eligible student borrowers may receive  
64 reduced rate loans, the eligible lending institution may give priority to those  
65 eligible student borrowers whose income, or whose family income, if the eligible  
66 student borrower is a dependent, is such that the eligible student borrower does  
67 not qualify for need-based student financial aid pursuant to 20 U.S.C. 1078, as

68 amended (the Higher Education Amendments of 1986). The eligible lending  
69 institution shall require the eligible student borrower to document that the  
70 student has applied for and has obtained all need-based student financial aid for  
71 which the student is eligible prior to application for a reduced rate loan pursuant  
72 to this section. In no case shall the combination of all financial aid awarded to  
73 any student in any particular enrollment period exceed the total cost of  
74 attendance at the institution in which the student is enrolled. No eligible lending  
75 institution shall charge any additional fees, including but not limited to an  
76 origination, service or insurance fee on any loan agreement under the provisions  
77 of sections 30.750 to 30.765.

78 6. The eligible lending institution making an initial loan to an eligible  
79 student borrower may make a renewal loan or loans to the student. The total of  
80 such reduced rate loans from eligible lending institutions made pursuant to this  
81 section to any individual student shall not exceed the cumulative totals  
82 established by 20 U.S.C. 1078, as amended. An eligible student borrower shall  
83 certify on his or her loan application that the reduced rate loan shall be used  
84 exclusively to pay the costs of tuition, incidental fees, books and academic  
85 supplies, room and board and other fees directly related to enrollment in an  
86 eligible higher education institution. The eligible lending institution shall make  
87 the loan payable to the eligible student borrower and the eligible higher  
88 education institution as copayees. The method of repayment of the loan shall be  
89 the same as for repayment of loans made pursuant to sections 173.095 to 173.186,  
90 RSMo.

91 7. Beginning August 28, 2005, in considering which eligible multitenant  
92 enterprise, eligible farming operation, **eligible locally owned business**,  
93 eligible small business, eligible job enhancement business, eligible marketing  
94 enterprise, eligible residential property developer, eligible residential property  
95 owner, eligible agribusiness, eligible beginning farmer, eligible livestock  
96 operation, eligible student borrower, eligible facility borrower, or eligible water  
97 supply system should receive reduced-rate loans, the eligible lending institution  
98 shall give priority to an eligible multitenant enterprise, eligible farming  
99 operation, **eligible locally owned business**, eligible small business, eligible job  
100 enhancement business, eligible marketing enterprise, eligible residential property  
101 developer, eligible residential property owner, eligible agribusiness, eligible  
102 beginning farmer, eligible livestock operation, eligible student borrower, eligible  
103 facility borrower, or eligible water supply system that has not previously received



104 a reduced-rate loan through the linked deposit program. However, nothing shall  
105 prohibit an eligible lending institution from making a reduced-rate loan to any  
106 entity that previously has received such a loan, if such entity otherwise qualifies  
107 for such a reduced-rate loan.

30.758. 1. The state treasurer may accept or reject a linked deposit loan  
2 package or any portion thereof.

3 2. The state treasurer shall make a good faith effort to ensure that the  
4 linked deposits are placed with eligible lending institutions to make linked  
5 deposit loans to minority- or female-owned eligible multitenant enterprises,  
6 eligible farming operations, **eligible locally owned businesses**, eligible small  
7 businesses, eligible job enhancement businesses, eligible marketing enterprises,  
8 eligible residential property developers, eligible residential property owners,  
9 eligible agribusinesses, eligible beginning farmers, eligible livestock operations,  
10 eligible student borrowers, eligible facility borrowers, or eligible water supply  
11 systems. Results of such effort shall be included in the linked deposit review  
12 committee's annual report to the governor.

13 3. Upon acceptance of the linked deposit loan package or any portion  
14 thereof, the state treasurer may place linked deposits with the eligible lending  
15 institution as follows: when market rates are five percent or above, the state  
16 treasurer shall reduce the market rate by up to three percentage points to obtain  
17 the linked deposit rate; when market rates are less than five percent, the state  
18 treasurer shall reduce the market rate by up to sixty percent to obtain the linked  
19 deposit rate, provided that the linked deposit rate is not below one percent. All  
20 linked deposit rates are determined and calculated by the state treasurer. When  
21 necessary, the treasurer may place linked deposits prior to acceptance of a linked  
22 deposit loan package.

23 4. The eligible lending institution shall enter into a deposit agreement  
24 with the state treasurer, which shall include requirements necessary to carry out  
25 the purposes of sections 30.750 to 30.767. The deposit agreement shall specify  
26 the length of time for which the lending institution will lend funds upon receiving  
27 a linked deposit, and the original deposit plus renewals shall not exceed five  
28 years, except as otherwise provided in this chapter. The agreement shall also  
29 include provisions for the linked deposit of a linked deposit for an eligible facility  
30 borrower, eligible multitenant enterprise, eligible farming operation, **eligible**  
31 **locally owned business**, small business, eligible marketing enterprise, eligible  
32 residential property developer, eligible residential property owner, eligible

33 agribusiness, eligible beginning farmer, eligible livestock operation, eligible  
34 student borrower or job enhancement business. Interest shall be paid at the  
35 times determined by the state treasurer.

36         5. The period of time for which such linked deposit is placed with an  
37 eligible lending institution shall be neither longer nor shorter than the period of  
38 time for which the linked deposit is used to provide loans at reduced interest  
39 rates. The agreement shall further provide that the state shall receive market  
40 interest rates on any linked deposit or any portion thereof for any period of time  
41 for which there is no corresponding linked deposit loan outstanding to an eligible  
42 multitenant enterprise, eligible farming operation, **eligible locally owned**  
43 **business**, eligible small business, eligible job enhancement business, eligible  
44 marketing enterprise, eligible residential property developer, eligible residential  
45 property owner, eligible agribusiness, eligible beginning farmer, eligible livestock  
46 operation, eligible student borrower, eligible facility borrower, or eligible water  
47 supply system, except as otherwise provided in this subsection. Within thirty  
48 days after the annual anniversary date of the linked deposit, the eligible lending  
49 institution shall repay the state treasurer any linked deposit principal received  
50 from borrowers in the previous yearly period and thereafter repay such principal  
51 within thirty days of the yearly anniversary date calculated separately for each  
52 linked deposit loan, and repaid at the linked deposit rate. Such principal  
53 payment shall be accelerated when more than thirty percent of the linked deposit  
54 loan is repaid within a single monthly period. Any principal received and not  
55 repaid, up to the point of the thirty percent or more payment, shall be repaid  
56 within thirty days of that payment at the linked deposit rate. Finally, when the  
57 linked deposit is tied to a revolving line of credit agreement between the banking  
58 institution and its borrower, the full amount of the line of credit shall be excluded  
59 from the repayment provisions of this subsection.

30.760. 1. Upon the placement of a linked deposit with an eligible lending  
2 institution, such institution is required to lend such funds to each approved  
3 eligible multitenant enterprise, eligible farm operation, **eligible locally owned**  
4 **business**, eligible small business, eligible job enhancement business, eligible  
5 marketing enterprise, eligible residential property developer, eligible residential  
6 property owner, eligible agribusiness, eligible beginning farmer, eligible livestock  
7 operation, eligible student borrower, eligible facility borrower, or eligible water  
8 supply system listed in the linked deposit loan package required by section 30.756  
9 and in accordance with the deposit agreement required by section 30.758. The

10 loan shall be at a fixed rate of interest reduced by the amount established under  
11 subsection 3 of section 30.758 to each eligible multitenant enterprise, eligible  
12 farming operation, **eligible locally owned business**, eligible small business,  
13 eligible job enhancement business, eligible marketing enterprise, eligible  
14 residential property developer, eligible residential property owner, eligible  
15 agribusiness, eligible beginning farmer, eligible livestock operation, eligible  
16 student borrower, eligible facility borrower, or eligible water supply system as  
17 determined pursuant to rules and regulations promulgated by the state treasurer  
18 under the provisions of chapter 536, RSMo, including emergency rules issued  
19 pursuant to section 536.025, RSMo. In addition, the loan agreement shall specify  
20 that the eligible multitenant enterprise, eligible farming operation, **eligible**  
21 **locally owned business**, eligible small business, eligible job enhancement  
22 business, eligible marketing enterprise, eligible residential property developer,  
23 eligible residential property owner, eligible agribusiness, eligible beginning  
24 farmer, eligible livestock operation, eligible student borrower, eligible facility  
25 borrower, or eligible water supply system shall use the proceeds as required by  
26 sections 30.750 to 30.765, and that in the event the loan recipient does not use  
27 the proceeds in the manner prescribed by sections 30.750 to 30.765, the  
28 remaining proceeds shall be immediately returned to the lending institution and  
29 that any proceeds used by the loan recipient shall be repaid to the lending  
30 institution as soon as practicable. All records and documents pertaining to the  
31 programs established by sections 30.750 to 30.765 shall be segregated by the  
32 lending institution for ease of identification and examination. A certification of  
33 compliance with this section in the form and manner as prescribed by the state  
34 treasurer shall be required of the eligible lending institution. Any lender or  
35 lending officer of an eligible lending institution who knowingly violates the  
36 provisions of sections 30.750 to 30.765 is guilty of a class A misdemeanor.

37       2. The state treasurer shall take any and all steps necessary to implement  
38 the linked deposit program and monitor compliance of eligible multitenant  
39 enterprises, eligible lending institutions, eligible farming operations, **eligible**  
40 **locally owned businesses**, eligible small businesses, eligible job enhancement  
41 businesses, eligible marketing enterprises, eligible residential property  
42 developers, eligible residential property owners, eligible agribusinesses, eligible  
43 beginning farmers, eligible livestock operations, eligible facility borrowers, or  
44 eligible water supply systems.

30.765. The state and the state treasurer are not liable to any eligible

2 lending institution in any manner for payment of the principal or interest on the  
3 loan to an eligible multitenant enterprise, eligible farm operation, **eligible**  
4 **locally owned business**, eligible small business, eligible job enhancement  
5 business, eligible marketing enterprise, eligible residential property developer,  
6 eligible residential property owner, eligible agribusiness, eligible beginning  
7 farmer, eligible livestock operation, eligible student borrower, eligible facility  
8 borrower, or eligible water supply system. Any delay in payments or default on  
9 the part of an eligible multitenant enterprise, eligible farming operation, **eligible**  
10 **locally owned business**, eligible small business, eligible job enhancement  
11 business, eligible marketing enterprise, eligible residential property developer,  
12 eligible residential property owner, eligible agribusiness, eligible beginning  
13 farmer, eligible livestock operation, eligible student borrower, eligible facility  
14 borrower, or eligible water supply system does not in any manner affect the  
15 deposit agreement between the eligible lending institution and the state  
16 treasurer.

✓  
Bill  
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